OUTGOING AIRGRAM

Department of State

B 0 0 1 0 8

INDICATE: COLLECT

SECRET Classification

VERBATIM TEXT

SENT TO:

CIRCULAR CG-516

DECLASSIFIED

Authority NVD907436

y SD yara hate 3-259

Ara 3 10 og PH '59

37.82

Origin

FROM US HATO DEL

\_\_\_\_\_

Following is full text of statement given by Acting Secretary under Agenda Item I, QUOTE Review of International Situation UNQUOTE, at NAC Ministerial meeting April 2:

BEGIN TEXT As has been the custom in the past, I should like at this time to review some of the factors entering into our overall estimate of the world situation. I will deal largely with the Communist challenge as it manifests itself at various points in the world, which is a central theme in the excellent NATO papers on trends in Soviet policy and on the situations in Eastern Europe, the Far East, and the Middle East. We must recognize, of course, that Communism is by no means the only major problem in the world today. There are the problems of nationalism, of population pressures, and of lack of experience in self-government in under-developed areas. But the Communist threat is entirely different in nature and magnitude from these other problems.

Dist. Desired (Offices Only) Our Alliance IN today is deeply concerned with the threat to Berlin, and it is entirely proper for NATO, a regional alliance, to defend Western Europe (Nas part of the Treaty area. I want to add, however, that we share NATO's recognition of the fact that the threat we face is indeed global, manifesting (O itself in many fields, in many ways, and in many parts of the world.

We know from experience that Communist policy characteristically alternates, on the surface, between a QUOTE soft UNQUOTE and a QUOTE hard UNQUOTE line, while its basic objectives remain unchanged. The past year has provided striking examples of these shifts in the surface manifestations of Communist policy. Early in 1958, for example, the Soviets were pressing for Summit talks, giving the impression of a reasonable and conciliatory approach. But they suddenly reversed themselves in June of 1958 and arbitrarily broke off the preliminary exchanges of views which had been designed to test the seriousness of their purpose for holding a Summit meeting. Again, in the

EUR/RA: RFessenden: mck 4/3/59

Telegraphic transmission and classification approved by:

C - G. Frederick Reinhardt

PA - Mr. Timmons

S/S-CR

APR 3 1959 P.M.

-5/6- Mr. N. Millerolm

UNLESS "UNCLASSIFIED ()
PEPRODUCTION FROM THIS
COPY IS PROHIBITED.

REPRODUCED AT THE NATIONAL ARCHIVES

Page	20	telegram	to_ CIRCULAR
r age	01	telegram	10 OTTACOTAIN

	DORE	
Classi	ficati	o n

first part of 1958, the Soviets gave evidence of readiness to negotiate seriously in the nuclear test suspension field. They took part in the Geneva experts discussions, subscribed to the experts' report which resulted from these meetings and subsequently agreed to participate in the Geneva Conference to negotiate a test suspension agreement.

As these talks have proceeded, it has become clear that there are many obstacles to achievement of an effective agreement. Although the negotiations still continue, the Soviet insistence on a veto on the operation of the inspection system casts the gravest doubt on their willingness to reach a dependable agreement. We have had too much experience with Soviet use of the veto to have confidence in any agreement with a comprehensive veto provision.

The Soviets also agreed in mid-1958 to participate in technical discussions of measures to deal with the problem of surprise attack. However, as the talks progressed, the Soviets made it only too clear that they were not prepared to approach the problem in an objective way, meginning with an assessment of the technical factors involved. Instead, they introduced unacceptable political and security proposals patently prejudicial to the West's basic interests. As a result, no real progress proved possible.

Hence our negotiations with the Soviets over the past year have been characterized by a pattern of shifts and fluctuations on the surface -- with no real change in their basic objectives.

I should add, however, that we will with patience and persistence continue our efforts in the disarmament field, exploiting every opportunity to reach sound agreement. In the months and years to come we must never lose sight of the fact that we must continue our efforts to find political solutions to reduce international tensions. In pursuing this effort, we have an intense interest in establishing among the nations a safeguarded system of arms control. As the dimensions of war mushroom with each year's development and production of new weapons, responsibility presses in on all of us to increase our efforts toward arms control.

The past year has been characterized by frequent recurrence of familiar Communist tactics of probing for weaknesses in the Free World and attempting to exploit these weaknesses whenever possible. In the Taiwan Strait the Communists probed by direct military action. In Iraq the Communists have cunningly used every device to increase their influence and penetration. In Iran Communist tactics have taken the form of Soviet threats against the Government. In the case of Berlin their tactics have consisted of combined threats and diplomatic moves.

I should



REPRODUCED AT THE NATIONAL ARCHIVES

-°UR

Page 3 of telegram to	CIRCULAR		
	C	SECRET lassification	

I should like to review briefly these Communist probes in order to draw certain conclusions as to our future courses of action. I will begin with the recent crises in other areas of the world and conclude with the situation we

The crises which developed in Lebanon and Jordan were the first serious challenges to the Free World in 1958. You are all familiar with the action which my Government and the British Government took to meet these situations. The reasons why my Government felt it might prove to be necessary to intervene were explained to the Council in advance, and we were gratified at the spirit of understanding which was manifested. The military assistance given by the United States and the United Kingdom to the friendly governments in Lebanon and situations which might have had serious consequences. I believe there can be united Kingdom in Jordan very possibly prevented a train of events by which the Communists would have greatly benefited throughout the entire Middle East.

The Soviets have, of course, by no means abandoned their efforts at penetration in the Middle East. The serious situation in Iraq today is a grave reminder that Communist efforts in the area are unrelenting. It is therefore encouraging to note that many of the leaders and peoples of the Middle East have come to see for themselves the dangers of Communist penetration and are reacting with strong disapproval to recent statement and actions made by Soviet leaders demonstrating the incompatability of Communism and nationalism.

In the same region Soviet efforts have continued to be directed at Iran. Although the Soviets have committed no overt acts against Iran, they are continuing their pressure against the country because of its anti-Communist stand.

Last summer the Communists launched a major challenge to the Free World in the Far East. The Taiwan Strait crisis provided the clearest possible demonstration of the value of firmness and of Communist respect for the determination and power of its adversaries. Had we and our ally, the Republic of China, wavered in this situation, it would have encouraged the Communists in the further use of force and would in all probability have led to other attacks elsewhere. However, through our while we were always prepared to seek a peaceful solution, we could not acquiesce the support which our policy came to receive from NATO as the result of extensive at least, of the Chinese Communist military efforts against the Offshore Islands. Probing and that the Chinese Communists are in an arrogant, expansionist modd, as recent events in Tibet have so tragically testified. We cannot know when the

SMINH

Chinese

AI	RGR	AM

Page 4 of telegram to	CIRCULAR	
		SEGET
	CI	assification

Chinese Communists may renew their offensive aimed at Taiwan. Should this occur, I can assure you that the United States would once again stand firm in support of its treaty obligations.

I turn now to Berlin.

The fact that we are again faced with a crisis over Berlin on the Tenth Anniversary of NATO is significant in two ways. First, it is the clearest proof of the unchanging nature of Soviet policy objectives and of their persistence in seeking to attain these objectives. Second, it is worthwhile for us to recall that one of our responses to the challenge of the Berlin blockade was the formation of this Alliance. The signing of the Treaty served to demonstrate to the Soviets beyond any doubt the seriousness of our purpose. The Soviets do not appear to understand that, although NATO members have differences, any crisis involving vital interests unites us rather than divides us.

Why is it that the Soviets are now seeking to alter the status of Berlin through unilateral action? One reason is that Berlin is peculiarly isolated geographically and is therefore well suited to the Soviet purpose in unilaterally creating a crisis. Another reason is that the Soviets thought they saw in Berlin an opportunity to create division among the Allies. But probably the fundamental reason is the spirit of dynamic freedom which exists in West Berlin itself. As Secretary Dulles said last December, QUOTE Freedom has so manifested itself in West Berlin as to make an almost unbearable contrast with the conditions in the surrounding satellite areas and East Berlin. UNQUOTE. Although the Soviet leaders talk much about co-existence, they are unable to endure the one situation on the globe where Communism and freedom exist in closest possible proximity. On the material plane, this spirit is reflected in the tremendous productivity of the West Berliners. Last year alone, West Berlin exported 1 billion dollars worth of products to the Federal Republic of Germany, and exported half as much again elsewhere.

The conclusion we can draw, I believe, is that our firmness in Berlin must be categoric. We have seen, at Quemoy and Matsu, the results which ensue when we stand by our Treaty obligations and when the Communists clearly understand the determination of the Free World to use the great military power which it has at its disposal. We believe that, if the Soviets are convinced that we are firm in our resolve to use this military power if necessary, they will not risk war over Berlin.

I am particularly gratified at the heartening solidarity of the NATO countries regarding the Berlin crisis. It is apparent from Council discussions that there is agreement on the basic essentials -- maintenance of all of our rights in Berlin, including that of access, and our responsibilities to the people of Berlin. In this connection, we should be mindful of the fact that, whereas in 1945 we came to West



Pageof telegram to	CIRCULAR
	SPEKET
	Classification

West Berlin as conquerors, we are there today as protectors. West Berlin wants us there, as the December elections testify. Although the United States, with Great Britain and France, bears certain special responsibilities for Berlin, and for Germany as a whole, I believe I can safely speak for my British and French colleagues, as well as myself, in saying that we consider the support of our NATO allies essential for a successful policy with regard to Berlin.

This review leads me to reaffirm the validity of certain principles which have motivated our Alliance from the beginning.

First is the importance of responding with firmness to Communist-inspired challenges. The success of our whole Alliance rests on this principle. The first ten years of NATO have shown that firmness is the safest course and that danger increases when we show weakness. Without NATO's QUOTE sword UNQUOTE and QUOTE shield UNQUOTE forces, the situation in Berlin and Germany would probably be very different today. We must continue in our efforts to provide strong and adequate NATO forces. I pledge our continued willingness to make the necessary effort for the common defense. I pledge also our full willingness to use our strength in the common defense, if need be. I can assure you that the power of the United States today is greater than it has ever been. We ase convinced that our combined aircraft and missile strike forces continue to constitute a solid deterrent to any Soviet plans for general war for the foreseeable future. We are making very rapid progress in missile development -- faster progress, we believe, than that of the Soviet Union which had a head start in this field. The lessons of the past year have also re-emphasized the importance of continuing to maintain substantial military forces capable of dealing with limited hostilities.

Second, I would stress that our firmness should always be matched by a willingness to negotiate whenever and wherever a reasonable basis for negotiation exists. We have done this in the past, and we will continue to do it in the future, with patience and with persistence. On Monday of this week, we learned of Soviet agreement to start negotiations looking to a peaceful solution of the crisis which they had unilaterally created over Berlin. You may be sure that we will bend our best efforts to make these negotiations succeed. We will seek possible political solutions for the problems of Berlin and Germany, but we will not agree to unilateral Soviet proposals prejudicing our rights in Berlin. Soviet actions and statements of the past months do not suggest an easy road for these negotiations, but in the end I believe this crisis will be resolved through negotiation and not through force, if we combine firmness with a readiness to negotiate on, as I have said, any reasonable basis.

Finally,



Page 6 of telegram to	CIRCULAR	
	SECRET	_
	Classification	

Finally, we must continue to avoid being misled by the surface manifestations of Communist policy. When the Communist line appears QUOTE soft UNQUOTE, we must not be lulled by a false sense of security into lessened effort. When the line is QUOTE hard UNQUOTE, we must remain calm. Awareness of danger must neither , paralyze our will nor incite us into rash action. Nor should we allow ourselves to De distracted from our real, long-range objectives by preoccupation with Communist-created crises. Among these objectives are the continued internal development of our nations behind the defensive forces provided by NATO and continued efforts by each of us to assist the under-developed nations and thereby to develop a mutually beneficial relationship between them and ourselves.

I am confident, Mr. Chairman, that our Alliance will meet these challenges in the same spirit of cooperation and solidarity which has characterised our efforts since 1949. END TEXT.

the hong

HERTER

SEND TO: Amembassy ANKARA

Amembassy ATHENS

Amembassy BONN

Amembassy BRUSSELS

Amembassy COPENHAGEN

Amembassy LISBON

Amembassy LONDON

Amembassy LUXEMBOURG

Amembassy OSLO

Amembassy OTTAWA

Amembassy PARIS for Embassy, USRO and Thurston

Amembassy REYKJAVIK

Amembassy ROME

Amembassy THE HAGUE

Amembassy MOSCO'I